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WHY MARXISM?

DANIEL SINGER

VOL. 49
6

DEBATE ON GLOBALIZATION

with RICHARD B. DU BOFF
EDWARD S. HERMAN
WILLIAM K. TABB
ELLEN MEIKSINS WOOD

THE ENEMY OF NATURE

JOEL KOVEL

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ALSO INSIDE:
Cuban Health Care
and the U.S. Embargo
by Peter Schwab

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MONTHLY REVIEW VOLUME 49 NUMBER 6 NOVEMBER 1997

WHY MARXISM?
by Daniel Singer 1

THE ENEMY OF NATURE by Joel Kovel 6

CUBAN HEALTH CARE AND THE U.S. EMBARGO by Peter Schwab 15

EXCHANGE
A Critique of Tabb on Globalization
by Richard B. Du Boff and Edward S. Herman 27

Contextualizing Globalization: Comments on Du Boff and Herman
by William K. Tabb 35

A Note on Du Boff and Herman by Ellen Meiksins Wood 39

BOOKS
Belated Praise of Communist Party Activists by Jack Weston 46
The Truth From Palestine by Camille Goodison 49
The Rise and Fall of the "Politics of the African Diaspora" by Robert Shaffer 53

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NOTES FROM THE EDITORS:

Ecology, a.k.a. environmental studies, is a relatively new area of scientific interest, mostly a product of the second half of the twentieth century and rapidly growing as the century draws to a close. It combines in one way or another most of the physical and social sciences, defies any attempt to force it into a neat definition of its own, and increasingly raises and attempts to cope with daunting problems such as the future of the human species and other forms of life on earth. No wonder it is an area not only of scientific interest, but also of excitement, confusion, brilliant insights, and stubborn adherence to self-serving dogmas.

(Continued on inside back cover)

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WHY MARXISM?

by DANIEL SINGER

Just before I left Paris I got a book from Michael Löwy with a new preface and a quotation I want to share with you. It said "Marx is definitely dead for humankind." Come on Daniel, you will object, did you have to travel all the way to give us that tripe we can get here for a penny a dozen! But it's not your tripe. It comes from Italy. It is by Benedetto Croce from 1907 and it's exactly ninety years old. I have quoted it to remind you that grave-diggers of Marx—the new philosophers, the Fukuyamas—have plenty of ancestors and will have plenty of successors and it's not worth while spending much time refuting their paid or unpaid funeral orations. The one point I want to mention is the coincidence between the recent revival of such requiems and the fall of the Soviet Union.

This is the first point. The second and for me crucial one is that what the movement now needs, particularly in western Europe where the confrontation is reaching a vital stage, is not only a radical, but a global, comprehensive alternative to the existing capitalist system. This will bring me to my third point, namely the extent to which those who not just insist on the separate nature of various social movements but idealize that separation, who reject global, collective action because anything total is totalitarian; to what extent, wittingly or unwittingly, they serve the ruling establishment. Finally, depending

The following talk was given at the *MR* sponsored panel "Bringing Marx Back" at the 1997 Socialist Scholars Conference.

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on the time left, I shall say something about the Marxism that we here in the hall want to see revived and developed and the Marxism we are glad to see dead and buried. I mean the sacred book of the Soviet rulers, with the appropriate quotations for every occasion, provided by the official preachers of Marxism-Leninism who, you may have noticed, have conveniently converted to the capitalist gospel according to Milton Friedman.

So let us start with the latest fashion of funerals of Marxism. I find it puzzling that it should have been precipitated by the fall of the Berlin Wall and the collapse of the Soviet Union. That the establishment should take advantage to proclaim that Marxism, socialism, revolution, name it, are now gone forever; this is perfectly natural. But quite a lot of people on the Left, in progressive circles, were also clearly bewildered and this is what I cannot quite understand. In 1956, the year of Khrushchev's indictment of Stalin and of the invasion of Hungary, the shock of the believers made sense, as it did even in 1968 after the Soviet tanks entered Prague. But twenty years later nobody seriously believed that a socialist alternative was being forged in the Soviet block.

To those who merely want to score propaganda points it is easy to reply that only what has lived can die, that socialism therefore could never die in the East, that there Marx's associated producers were at no stage the masters of their factories and of their fate. But this is not enough. We had no model, but we have a heritage and we have to analyze its history in Marxist fashion. What went wrong and why? Was it because very rapidly the revolution was turned into a transformation from above? Or was it doomed in any case when, having happened in backward Russia, it failed to spread? I shall leave this unfinished but not unnecessary debate for the moment and turn to my second point.

Paradoxically, the collapse of the neo-Stalinist model did not coincide with the success of social-democracy. On the contrary, it coincided with its bankruptcy. Triumphant, capitalism showed itself in its nakedness. It was no longer capitalism with a human face, but back to the laws of the jungle. After twenty years or so of restructuring, the crisis is coming to a

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head. This is particularly striking in western Europe, where I live. We are watching a strange period of transition, with its hopes and its dangers. For several years now, efforts are being made to impose the American model, not the American dream of yesteryear but the American nightmare. An attack is being waged against the so-called welfare state, against all the postwar conquests of the labor movement and the concessions to which capital had consented.

The parties of the respectful left, respectful that is of the established order: Tony Blair, who will soon take over in Britain or the ex-Communist Massimo d'Alema, the inspirer of the ruling coalition in Italy, are ready for all the sacrifices to the new gods of globalization. But the working people, particularly in continental Europe are not. Since 1994 successive attempts to cut the social services in Italy, in France, in Germany have met popular resistance. I personally think that the strikes and demonstrations of 1995, the French winter of discontent, will go down as an ideological turning point. After a quarter of a century of an ideological swing to the right, here was a movement mocking the blackmail: there is no alternative. Its message, frightening for the preachers of the establishment, was plain: if this is the future you are offering to us and to our children, then the hell with your future!

And yet the resistance, for the moment, is only resistance and not the beginning of a counter-offensive. It is followed by concessions and compromises. And it is bound to be so. The importance of the refusal cannot be overestimated. You cannot start building the future without this act of refusal. But it is on this negative platform that you must start forging an alternative. You must begin by fighting on the ground of your enemy—you would be a sect if you didn't, but you must inevitably offer solutions which take you beyond that territory, beyond the confines of existing society. Capitalism is a system with its own coherence, its logic—Mészáros would say with its own metabolism—and it can only be ultimately defeated by another system with a logic and coherence of its own. This does not mean storming the Bastille or seizing the Winter Palace. There is nothing instant about revolutionary change,

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which will require time, retreats as well as advance, and even occasional concessions. As things stand you may have explosions or even rebellions. But one cannot imagine a long-term, hegemonic movement without the vision of a fundamentally different society.

This is where I part company with current fashions, with post-modernity and all that. I have no problem with deconstruction as such. It reminds me of the picture in my philosophy textbook, as a schoolboy, of Descartes with his foot on a pile of books proclaiming: never to accept a thing to be true before having proved it is so. Or, of Gramsci's dictum, by now cliché, that truth is revolutionary. In revealing the tremendous racial, gender—less often class—bias hidden beneath the great declarations of principles of our pundits and preachers, the deconstructionists are attacking and undermining the system. But, at the same time, as post-modernists, they are coming to its rescue, condemning not only grand narratives but the very idea of a coherent, systematic alternative to capitalism. And the rescue is thus much more important than the attack because the capitalist system can put up with all sorts of uncoordinated, sporadic assaults. The only thing it has really to fear is a coherent, frontal offensive.

Let me be quite clear. I am in no way criticizing the social movements—the struggle against racism, against gender oppression or the struggle for ecological survival. Indeed, I take the fact that all such struggles should have developed outside its ranks as a sign of the bankruptcy of the socialist movement in the 20th century. I am simply attacking those who, far from deploring the fragmented nature of the movement, are into fragmentation as a permanent fact of life and make a virtue of division. Whatever the current fashions and fads, I think they will have to revise their ideas or be swept aside as the social movement resumes and develops its all-out offensive.

There remains the question: why Marxism? The crude answer is that the reign of capital is more absolute than ever and Marxism still remains the best instrument for analyzing its rule, its nature and its inner contradictions. On condition that we do not turn it into a Holy Scripture. I already said how

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delighted we all here are with the dismissal of the distorted doctrine which served as a tool and a disguise for the Soviet rulers, exploiters, and their servants. But that is not enough. We cannot treat Marxism as a sacred text and cannot tolerate any taboos. Marx did not say everything. He didn't have time, to give just one example, to deal adequately with such a key question as the role of the State. However farsighted he was, he probably could not imagine that after a century and a half of tremendous technological change we would still be living under capitalism and, therefore, facing a clash between the blind development of productive forces and our environment; in other words, facing the threat of our suicide.

To cut it short, we must use Marxism in Marxist fashion: adapting it all the time to the realities of our age, questioning permanently not only our fast-altering environment, but the very premises of our own thought, examining for instance the changing nature of the working class and, therefore, its capacity to act as an agency of historical transformation.

Only in this fashion shall we be able to tackle the issues on our agenda: the problem of work, and not just of labor and leisure, in our society where technological progress seems to bring unemployment and or poverty; the problem of radical change and the frontiers of the nation-state in an artificially globalized society; the problem of equality in a world of growing social injustice; the problem of democracy, not only because of our terrible heritage, but because we want to transform the indispensable planning into the self-organization of society.

I could go on. The task is plainly immense and therefore, requiring time. But it is also urgent. I really do feel that there are rays of hope again on the horizon, the first signs of an awakening from Paris to Seoul. But there are also shadows. When the xenophobic National Front can conquer a city hall in southern France through universal suffrage, by an absolute majority, it is high time to do something, to offer the discontented people a radical alternative. If we don't, they will, and it will be both reactionary and irrational. But we can and, therefore, we must and Marxism is a precious tool at our disposal.

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THE ENEMY OF NATURE

by JOEL KOVEL

It is a great privilege to be here and share with you these reflections about the global crisis of ecological destruction. I believe Cuba to be the one place on earth where this, perhaps the greatest crisis in human history, can receive a full and deep analysis. Cuba has earned the distinction by becoming the first modern society to embrace an agricultural policy capable of sustainability. While we know that this transformation was the fruit of painful circumstances, we also appreciate it as a manifestation of the heroism of the Cuban people and their defense of socialism.

The ecological crisis is defined by the brutal fact that the normal course of social production inexorably destroys the natural basis of society. Until as recently as the 1960s nature was able to buffer the effects of production. Now this function is breaking down in a proliferating and incalculable way across multiple ecosystems. Climate change, species loss, disease, depletion of soils and groundwater, intoxication by pollutants ... the list can be extended, but its message is clear and harrowing: survival depends upon coming to grips with what is wrong at the mainspring of our civilization.

Joel Kovel is a frequent contributor to *Monthly Review*. His most recent book is *Red Hunting in the Promised Land* (London: Casseol, 1997). This article is a revised version of a lecture given February 14, 1997, at the International Conference on Environment and Society, La Habana, Cuba.

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We need to be able to call things by their right name if we are to change them. To find the right name for something in this sense is to follow Marx's method in the *Grundrisse*, where he writes of the importance of finding the proper level of abstraction in order to grasp the concrete nature of things. "As a rule," Marx writes, "the most general abstractions arise only in the midst of the richest possible concrete development, where one thing appears as common to many."[1] It follows that we need to go beyond partial explanations in order to track down the actual, efficient cause of the ecological crisis at that level of abstraction where the individual causes all act together.

We should not, therefore, look for "development," nor "corporations," nor "markets," nor "industrialization," nor "technology," nor "greed," nor "consumerist lifestyles," as being at the heart of the ecological crisis. Nor are population, patriarchy, or the basic philosophical attitudes of Western civilization central, either. All these things are implicated, but none of them occupies that place where the concrete determinants come together. We find, rather, when we explore that center, that it is occupied by the elusive entity known as *capital*, which to Marx was the "all-dominating economic power of bourgeois society."[2] It is capital that conditions and drives separate determinations in an ecologically destructive way, and so becomes the efficient cause of the crisis. Development, or industrialization, as such, is an empty construct. But development or industrialization under capitalist aegis, in which capitalist corporations, markets, lifestyles, even psychologies and character structure, all interact, is what destabilizes ecosystems all over the planet.

Capital is elusive because it cannot be singled out in isolation from anything else. It is a social relation grounded in the commodification of labor-power, in which labor is subject to the law of value—a relation expressed through wage labor, surplus value extraction, and the transformation of all means of production into capital. As such an order of things took hold and spread, capital became "self-expanding," through the dominion of exchange value over use value, and

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the rule of quantification which this implies. It must be emphasized that such an "abstracting" of society does not happen abstractly, but through the coordinated development of a capitalist state, capitalist social relations, and a capitalist world system as the framework for the economy. With the state firmly in bourgeois hands, and with industrialization permitting a stupendous advance in productive capacity, the capitalist era as such was launched.

In capitalism, economic relations are advanced above all others. Therefore the economy rules capitalist society, and the economy itself is ruled by the demands of capital, which becomes, in a chilling metaphor that happens to be all too true, the actual god of this world, expressed in the form of money. The power of money is another way of expressing the decision to ground everything on exchange, money being what arises on this basis as the universal equivalent whose usefulness resides in its ability to stand for something else: a necessary condition for generalized commodity production. Therefore under capitalism, everything, nature included, is to be dissolved into everything else and nothing is to remain sacred, valued for its unique individuality.

The peculiar relation of capital to nature did not receive a great deal of attention in Marx's time because the ecological crisis it engenders had not matured.[3] Now, unhappily, we have abundant evidence, although it remains very poorly appreciated. A few points of definition may be helpful in remedying this. First, when we talk about nature, we mean the body as well as the atmosphere, forests, oceans, and other species. The relations of capital to nature therefore include its effects on health. Daniel Faber, of Northeastern University, has calculated, for example, that in the United States alone, about 250 thousand people a year die as a result of three capital-determined factors alone: industrial accidents, dangerous products, and direct pollution. (This in addition to deaths from tobacco, alcohol, etc.) In fact, we can scarcely ascertain the effects of only one element of capitalist production, the introduction of novel chemicals into the biosphere. Each year, according to Peter Montague, about one thousand new

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chemicals enter commercial markets, while the U.S. government, with the best toxicology facility in the world, can test only a few dozen, and only for their cancer-producing effect. Virtually nothing is known either about the complex interactions of the 70 thousand chemicals introduced by industry over the years into the biosphere, for which living systems have been given no preparation during their evolution. Testing for these would simply overwhelm all available research facilities.[4]

Second, it is important to bear in mind that ecology refers to the interrelations between living creatures and their environment. This would extend, in the human sphere, to communities and cities. What capital has done to cities over the course of its development is as ecologically relevant as what it has done to fisheries. And while it would be mistaken to think that nature has ever been in balance or equilibrium—for if it were, there could be no evolution—we can talk about complex interrelations within nature, devices for buffering changes, and stabilization patterns that enable rich, complex, and internally differentiating forms to appear over time, to evolve into the wealth of the biosphere, to give birth to consciousness and indeed, to the brilliance of humanity at its finer moments. When we speak of ecology, therefore, we mean the whole organization of life that enables the evolution of more complex, varied, beautiful and conscious forms of being.

It is this ecological level which is fundamentally destabilized by the capital system, operating through its institutional mediations. It has been long recognized that capital is an inherently contradictory function. A major contradiction was theorized by Marx, who recognized that in the endless search for profit, capitalists drive down the cost of labor, thus creating systematic poverty and unemployment in the midst of plenty, and setting recurrent economic crises into motion. Now the ecological crisis has revealed a second structural contradiction of equivalent importance in the workings of capital. This "second contradiction" of capital has been theorized by James O'Connor as the tendency to degrade the "conditions of production" in the hunt for profit. These conditions, which include land (i.e., non-human nature),

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labor power (the sustenance of which takes place through the bodies and communities of workers), and urban infra-structure, are treated like commodities although not produced as such; and in driving down their cost, capital also degrades them. As O'Connor puts it, "the second contradiction states that when individual capitals attempt to defend or restore profits by cutting or externalizing costs, the unintended effect is to reduce the 'productivity' of the conditions of production, and hence to raise average costs."[5] At first glance, this reads simply as a limit to accumulation—a problem for capital and not necessarily for nature. It becomes an intractable problem for nature, however, insofar as capital is in command of society. Then, its fundamental intolerance of limits comes to the fore. Under these circumstances, the second contradiction forces capital to continually redouble its efforts at profitability, and therefore to continue doing what it has to do to the conditions of production, namely, degrade them.

The second contradiction becomes ecodestructive, therefore, to the extent that there are no internal limits to the expansion of capitalist production. And this happens to be the case, thanks to the basic dependence of capital on exchange value and quantification. So long as the money nexus is the expression of capital, the actual, concrete limits of nature will continue to be brushed aside. For as long as capital endures, it tends to reign; and as long as it reigns it extends itself; and as long as it extends itself it tends to destabilize ecologies by degrading the conditions of production in the hunt for surplus value. Thus the regime of capital leads inexorably to an ecological crisis that cannot be resolved within the terms of capital. Let me state in the most abstract and schematic terms why this has to be so.

—Exchange value, being strictly a function of quantity, has no limit, and, once yoked to power, is equivalently intolerant of limits; further, its essential mode of expansion, which it strives to realize against all inhibitors, is exponential and not merely incremental;[6]

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—Value, no matter how abstracted, must at some stage descend into material reality: even as it dominates, exchange value remains dependent upon use-value (and hence the needs, wants, etc, of a sensuous creature). The exponentiality of its expansion is also transferred therefore to material reality, however much this may be inhibited by one compensatory function or another;

—Capital colonizes the very sites of inhibition, or creates new commodity circuits to go around them (think of how mass culture feeds upon opposition to capital to create new commodities);

—As nature enters commodity circuits it is dedifferentiated. The differences that are made to "count" are artificial, while nature becomes mere resources and a cesspool for unprofitable byproducts. As capital expands, more and more of nature is caught up in the nets of accumulation and dissolved in exchangeability. Further, in the endless search for profit, capital must increasingly speed up its circulation. This in turn decreases the utilization time of commodities. The result is the throwaway society in which the production of waste becomes an inherent part of the production of commodities;

—Finally, capital secures the process by colonizing civil society and the state, thus producing the ideas, politics, mentalities and culture necessary for its own reproduction. It is the state that controls access to the conditions of production; and to the extent that the state is in bourgeois hands—an increasing tendency, as any look at the system will confirm—so will the capitalist state fail to protect nature. The same goes, of course, for trans-statal structures, as shown, for example, by the recent pathetic efforts by the United Nations to implement the 1992 Rio de Janeiro agreements on greenhouse gases.

The system as a whole is trapped in an unending and uncontrollable cycle of expansion, experienced by every single manager of a capitalist enterprise as the imperative to "Grow or Die"—in other words, keep up the rate of profit or be replaced by a more profitable competitor. As this is generalized into the accumulation of whole societies we get a pattern of growth like that of a cancer rather than a healthy

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organism. There are of course reformist trends, intra-ruling class conflicts (such as insurance companies getting agitated about global warming), and technological off-sets. But none of these can stand against the ecodestructive potentials of the system as a whole, as a close reading of contemporary society will attest. Capital's track record is quite clear by now—or would be, absent greenwashing propaganda and the general collapse of political intelligence.

In any case, it is pure wishful thinking to imagine that this uncontrollable juggernaut—uncontrollable through its own internal workings—can turn itself around. Not only the primary mechanisms of capital accumulation, but also the secondary mediations of capital converge on the destabilization of ecosystems. Even the psychological types induced by capitalist culture are essentially ecodestructive. How can we expect the kind of ruthless, self-obsessed individual who climbs to the top of the corporate ladder to have any genuine feeling for nature, not to mention limits? Or how can the culture of consumerism—an absolute tendency given capital's chronic over-production—fail to induce addicts of one kind or another rather than fully realized individuals who live out the sense of balance or differentiation conveyed by the notion of an intact ecology? A look at one of the shopping malls that consume the public space of bourgeois society will tell us that there is no chance at all that capitalism can stop its ravaging of ecosystems.

Wherever capital has its way, the ecological principles that underlie the emergence and flowering of life, beauty and consciousness are broken down through the intrusion of the commodity form. Quality is replaced by quantity; differentiation and balance are replaced by brutal expansion; and the fruits of billions of years of evolution are consumed and transformed into cash. And as ecosystem damage grows and interacts upon itself, the survivability of the species is itself thrown into doubt.

What are the concrete implications? First, that today's prevailing belief that there is no alternative to the capital system is a suicidal position. Humanity is part of nature and

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lives from nature. But if humanity constructs a kind of society that systematically destroys the natural ground of its own existence, then this is suicidal. It is not apocalyptic to say this; the world need not come to an end in any sudden way, and in any case, all species eventually pass away. But surely human beings can do better than this kind of uncontrollable destruction of their natural conditions. The dinosaurs cannot be blamed for their extinction. We, who have choice and intelligence, will be the first species to bear this responsibility.

It follows that to resolve the ecological crisis means overcoming capital and going beyond it. Reformist measures are valuable, even necessary, insofar as they improve our survivability and teach us how to proceed. But they become a hindrance if we are misled into thinking that reform is sufficient in itself, especially if installed to strengthen the capital system for its next assault on nature. A great deal of reform is of this kind. It assuages a little guilt by recycling a throwaway product, or displaces the damage, as by trading in pollution credits. But far from getting at the core of the problem, it only reinforces that core and ultimately worsens the problem.

Voluntaristic methods for dealing with the ecological crisis, such as appealing to the reasonableness and compassion of capitalists, are futile and a distraction. They confuse the traits of individuals with that of the system they serve. A corporate leader who sees the ecological light will not change the system. He will simply stop being a corporate leader, to be replaced by someone who sees things as capital sees them. Similarly, to beg the masses to consume less ignores, first, the culture of poverty, fear, and scarcity within which most of the world's people live; and second, the culture of consumerism within which the masses of capitalist societies are trapped. Both cultures make it functionally impossible to take a genuinely ecological attitude; and they are both deeply structured by the capital system.

Therefore capital must go if we are to survive as a civilization and, indeed, a species; and all partial measures and reforms should be taken in the spirit of bringing about capital's downfall. Nothing could seem more daunting than this,

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indeed, in the current balance of forces, it seems inconceivable. Therefore the first job must be to conceive it as a possibility, and not to succumb passively to the given situation. Capital expresses no law of nature; it has been the result of choice, and there is no essential reason to assume it cannot be un-chosen. Conceiving things this way is scarcely sufficient. But it is necessary, in both a moral and a practical sense.

Capitalism, and the ruthlessness of its quantitative reduction of nature, depends on the domination of labor, and so does the imperative of self-expansion which makes it necessary and possible for capitalism to drive out all other social forms. If capital is to be overcome, therefore, the domination of labor must be overcome. This tells us that the search for an ecologically sustainable society and the search for a just society are fundamentally the same. Both point toward a socialism predicated on the overcoming of capital and its domination of labor—a socialism which it is our obligation to create.

NOTES

1. Karl Marx, *Grundrisse*, ed. and trans., Martin Nicolaus (Penguin 1973), p. 107.
2. Ibid, p.107.
3. This is not to dispute that there are a number of strikingly prescient observations about the ecological relations of capital in Marx's writings. See John Bellamy Foster, "Marx and the Environment," *Monthly Review*, Vol 47, July-August 1995, pp. 108-123, for a summary. I would suspect, however, that were Marx writing today, the relation of capital to nature would be given greater weight, and would loom as large as that between capital and labor.
4. Faber, personal communication. Peter Montague: *Rachel's Environmental and Health Weekly*, #538, March 20, 1997. The overall increase in productivity and wealth brought about by capitalism has, to be sure, led to improvements in nutrition, public health, medical care and, therefore, life expectancy. However, in its wake have come a host of environmentally related diseases, from cancer to immune disorders, along with severe declines in health in the parts of the world increasingly afflicted by poverty and social decay.
5. James O'Connor, "Is Sustainable Capitalism Possible," in Martin O'Connor, ed., *Is Capitalism Sustainable?* (New York: Guilford, 1994), p. 165.
6. A quote from The *Grundrisse* may clarify this. "The barrier [to capital] appears as an accident which has to be conquered. This is apparent on even the most superficial inspection. If capital increases from 100 to 1,000, then 1,000 is now the point of departure, from which the increase has to begin; the tenfold multiplication; profit and interest themselves become capital in turn. *What appeared as surplus value now appears as a simple presupposition*, etc., as included in *its simple composition.*" *Grundrisse*, op. cit. p. 335 (italics in text).

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CUBAN HEALTH CARE AND THE U.S. EMBARGO

by PETER SCHWAB

Since the revolution Cuba has developed a remarkable and successful health care system unmatched in the third world. In developing a social policy that provides health care for all its citizens while at the same time organizing a pharmaceutical and biotechnology industry that is as resourceful as it is inspiring Cuba has made advances in medicine admired throughout the world. As *The Economist* maintained in 1996 "Cuban medicine is disciplined and innovative.... Cuban research establishments have made breakthroughs in vaccines, immunology and biotechnology."[1] The sophisticated nature of the medical establishment is evident as one travels the island visiting medical facilities, as I did in a series of visits between 1995 and 1997. The progress made by Cuba, particularly while under the constant harassment of the U.S. embargo, is really quite staggering and it is the purpose of this discussion to expand upon Cuba's medical program within the context of the embargo.

Labeling Cuba a threat to U.S. national security has provided Washington with the rationale to include medicine

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Peter Schwab is Professor of Political Science at Purchase College, the State University of New York. He is the author with Adamantia Pollis of *Human Rights: Cultural and Ideological Perspectives* (Praeger Publishers, 1980), and *Ethiopia: Politics, Economics and Society* (London: Frances Pinter, 1985). The author would like to thank those Cuban professionals who granted him time to pose questions and obtain information.

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and basic food within the framework of the embargo making it "abundantly clear that economic sanctions are, at their core, a war against public health."[2] Indeed, because the embargo prohibits products that contain any U.S. component or material from being exported to Cuba from third countries, including products based on U.S. design and technology, and because most major new drugs are developed by U.S. pharmaceutical companies, Cuba has access to only a small percentage of the new medicines available on the world market.[3] The embargo as it affects medicine, scientific technology, textbooks and periodicals is a virtual world-wide blockade vigorously enforced by the United States. The minutia of enforcement, according to the *New England Journal of Medicine*, "are all-encompassing. The interdicted trade includes visits by medical delegations and the mailing of medical journals...."[4]

Because of the embargo the Cuban health care system exists within a frame of political and social contradiction. It is one of the jewels of the revolution, yet it is handicapped by the fierceness of the embargo and the fury of U.S. enforcement. While developing innovative medicines, and techniques for delivery of services, the Ministry of Public Health and hospitals must literally shop around the world paying exorbitant rates to obtain supplies, often secretly, that are, quite simply, available but unaccessible ninety miles away. In 1991 then U.N. Ambassador Ricardo Alarcón argued that the "U.S. embargo has caused Cuba substantial material losses. Total prohibition of Cuba's acquisition of foodstuffs, medicine and medical supplies and equipment of United States origin ... has caused and still causes appreciable additional harm to the Cuban people."[5] This remains the case today.

A major issue of importance then is to analyze the structure of the Cuban health care system, and to indicate its extraordinary accomplishments while examining what the United States is doing to try to destroy Cuba's public health organization. This will clarify the political impediments Cuba must deal with to continue providing a public health care program that is closely integrated with the development of

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medicines through biotechnology and the more traditional pharmacology.

Technology and Comprehensive Health Care

A country with merely 11 million people, Cuba has become a powerhouse of medical innovation. In this small country there are 284 hospitals, 440 clinics, 11 research institutes, and 15 medical colleges, while with some 60,000 doctors and more than 5000 researchers the "national average ratio of physicians to total population is one doctor for every 180 people, and this does not count ... nurses, physical therapists, medical technicians and medical researchers."[6] All physicians must complete a nine year medical program with formidable medical standards and an additional three years of study for specialization.

Cuba's primary research facilities are located in Havana, the most prominent being the *Centro de Ingeniería Genética y Biotecnología* (CIGB) which was organized in 1986. Located on the outskirts of Havana this complex has developed a large quantity of medical products for Cubans while also exporting its innovative medical technology abroad. The sixth largest currency earner, exports of diagnostic equipment and pharmaceuticals earned Cuba $120 million in 1995.

Using a new combination of genes, researchers at CIGB have developed a recombinant vaccine against hepatitis-B or serum hepatitis which is caused by a DNA virus. Cuba is presently the sole producer of a vaccine against the bacteria that cause meningitis-B. While the highly renowned and esteemed Cuban Institute of Hematology uses molecular biology in the treatment of leukemias and lymphomas, CIGB developed a process to extract interferon from leukocytes to treat such cases. A microsurgical approach to cure retinitis pigmentosa, a genetic disorder causing a degeneration of the retina leading to tunnel vision or total blindness and affecting one out of every four thousand people world-wide, has been developed with an 80 percent success rate. Vitiligo, the loss of skin pigmentation, regarded heretofore as untreatable, *is* successfully being treated by newly developed substances that

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evolved from research at the Placental Histotherapy Center. The remission rate in severe cases is some 80 percent. Havana's International Center for Neurological Restoration is one of the world's leading centers for the treatment of Parkinson's disease. Research on the development of a vaccine against AIDS has been under way for years with testing on humans presently ongoing.[7] Scientists have also emphasized improving the food supply which directly affects the health of the population. Researchers at CIGB "equipped sugarcane with bacterial genes that confer pest-resistance" and "developed a monoclonal antibody to detect tristeza, a lethal virus that threatens to devastate the Caribbean citrus industry."[8]

The medical technology developed by Cuban researchers certainly far exceeds that spawned in other third world countries and in many cases matches, even sometimes surpasses, developments in the West. Breakthroughs have been made and the results are impressive, to say the least.[9] The significance of Cuba's initiatives in this area is matched by its public health care system and the attention devoted to the primary health of its citizens. Impressive too is the fact that the United States, in violation of any human rights standard, is doing what it can to spoil, even destroy the medical advances made by Cuba, and that whatever success is achieved is accomplished despite the menacing effects of the Cuban embargo.

In 1959 Cuba created a universal, comprehensive and free-to-the-patient health care system, granting each citizen the right to all available health care. According to the 1976 Cuban Socialist Constitution health care is considered a right available to Cuban citizens, and medical care along with food, clothing, housing and education is "of the highest priority."[10]

Under the authority of the Ministry of Public Health free medical and health care is provided through a network of doctors, clinics and hospitals supplemented by the pharmaceutical and biotechnology industry. Each urban neighborhood has a community clinic that serves 30,000-40,000 people and offers treatment for minor ailments. These clinics are in many cases integrated with maternity homes that offer pre- and postnatal care. Rural clinics and maternity homes are also

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dotted throughout the countryside. According to Dr. Michele Frank the maternity homes offer residence to high risk cases, and also offer meals and vitamin supplements to outpatients to increase birth weights.[11] Family doctors are located in each neighborhood throughout the country. Using both the clinics and medical practitioners 98 percent of all children have been vaccinated against twelve major diseases including meningitis-B and hepatitis-B. The vaccines are provided by the biotechnology industry to the clinics, doctors and hospitals and are distributed free of charge. Prescriptions for drugs and antibiotics are filled at state pharmacies, when the medicines are available, at no cost to the patient.

For more serious cases and for treatment of the chronically ill, municipal hospitals exist in all cities. Many of the hospitals are really quite old, having been constructed prior to the revolution, and do not have the up-to-date facilities that are often required. Thus, these hospitals, such as *Hospital Calixto Garcia*, in Vedado, Havana, service patients whose illnesses are too complex for the clinics but who do not require the services of the more modern hospitals. These antediluvian hospitals are usually made up of only one building, or a series of low-rise structures each associated with a different speciality but with only a limited number of beds available.

The more modern and recently constructed hospitals, such as the *Hospital Clinic Quirurgico "Hermanos Ameijeiras"* in Central Havana, offer services and treatment in the fields of bacteriology, microbiology, gastroenterology, optomology, dermatology, neurology, oncology, pathology, and trauma, among others. Clean, modern, up-to-date, often high-rise structures, these newer hospitals have a large number of beds that offer private and semi-private facilities not found in the older hospitals. The technology available is also of more recent vintage.

In observing the older hospitals one finds that all the beds are in large, poorly maintained rooms, with no separation between them, while waiting rooms overflow with people, and treatment rooms have little medical stock and are barren

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of technology. In both old and new facilities specialists in the major fields are usually available though they often do not have the resources to deal capably with their patients. Antibiotics are often unavailable because they have been patented by U.S. firms and thus fall under the restrictions of the embargo. Hospital administrators, through the Ministry of Public Health, must shop around in Europe, Canada or Asia to acquire some medicines, but even if other countries are willing to circumvent the embargo and sell the product it must be paid for in U.S. dollars or other hard currency which is often unavailable given Cuba's many needs. Antibiotics and other medicine developed and produced solely by third countries can be openly and easily purchased.

Cuba has also developed a system of private hospitals providing specialized services for foreigners only. For example, the *Centro Internacional de Retinosis Pigmentaria Camilo Cienfuegos*, a small hospital in Vedado, Havana, treats retinitis pigmentosa and other eye diseases. People come from all over the world for treatment. Other private hospitals offer medical care and treatment for cancer, skin diseases, open-heart surgery, Parkinson's disease, kidney transplants, and neurological disorders. Fees for such services brought *Servimed*, Cuba's foreign health agency, $24 million in 1995.[12] No private services are obtainable for U.S. citizens since a license from the U.S. Treasury Department is required for travel to Cuba and is not granted for such purposes.

The private hospital infrastructure is generally superb since the hard currency paid by foreign patients is used to support this network of institutions. In fact they look like private clinics for the wealthy and they are able to obtain almost everything they need in the way of supplies. Seventy percent of the fees remain with the hospitals while thirty percent is turned over to the health ministry to supplement the public health budget. Yet, even the private hospitals must usually deal directly, or through the Ministry of Health, with Canada, Europe, Asia, South America or Israel to locate countries willing to break the embargo so that supplies can be accumulated. The academic administrator of *Centro Camilo*

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Cienfuegos told me that the hospital must often engage in such surreptitious purchasing. The public hospitals don't usually have that ability since they don't have the dollars budgeted to satisfactorily do so.

Clearly, a dual class medical system exists to some degree. Foreigners can obtain the best service-for-fee procedures and rarely entertain deficiencies in obtaining medical care. Although similar care is available free for Cubans they often can not obtain it because of the cost involved for Cuba in defying the embargo. Medicine, medical supplies and technology are too often unaccessible.

The Response of the United States

In examining the practice of medicine in numerous hospitals and clinics, and in interviewing medical researchers it has been perceptible to this observer for some years that although the precise effects of the U.S. embargo vis-á-vis health care and medical research may be little known elsewhere they are quite apparent in Cuba.[13]

Because most antibiotics are produced under U.S. patents they can not be exported to Cuba under terms of the embargo. Any third country or foreign enterprise doing so can be slapped with U.S. sanctions. In December 1995 America's largest pharmaceutical corporation announced it would never do business again with Castro's Cuba after sanctions were activated and a stiff fine imposed when Merck provided medical information (and only information) to Cuba. Technology that contains U.S. components or is partially developed by a U.S. firm is also embargoed. In the 1990's this included:

> A sale by the Japanese company Toshiba of medical equipment used to detect cardiovascular diseases and blood analysis laboratory equipment from the Swedish firm LKB. U.S. Commerce officials also forbade the Argentine supplier Medix from shipping spare parts needed by Cuban hospitals to maintain U.S.-made dialysis machines and opthalmologic sonar equipment already in use throughout the island.[14]

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Waterborne diseases are prevalent in contemporary Cuba because the United States prohibits the sending of equipment to repair U.S.-made water treatment facilities. In 1994 the U.S. Commerce Department denied an export license for X-Ray replacement parts costing less than $175.[15] According to The 1963 Trading With the Enemy Act a license from the U.S. Treasury Department is necessary even to donate medicine to Cuba, and "no vessel carrying goods to or from Cuba ... may enter a U.S. port ... for 180 days."[16] Prior to the passage of the 1996 Helms-Burton Act U.S. citizens with an appropriate license from the Department of the Treasury were permitted to carry medical supplies to Cuba but only if addressed to a single individual or family and only if the travel to Havana was by the daily U.S. chartered flight from Miami. After the imposition of Helms-Burton the flights were eliminated thus cutting Cuba off from all medical supplies brought in via the United States legally.

The Trading With The Enemy Act also prohibits the importation of goods of Cuban origin to the United States including medical innovations unavailable in the United States. In the effort to deprive Cuba of access to U.S. dollars Americans are disallowed from benefiting from Cuban medical innovations and technology either in Cuba or the United States. Those who violate the Cuban Assets Control Regulations may incur penalties of up to ten years in prison, $1,000,000 in corporate and $250,000 in individual fines. In addition foreign corporations whose offices are in nationalized U.S. property in Cuba may have their executives prohibited from traveling to the United States, while they and their corporations may be sued in U.S. courts.

In Cuba the effects of the embargo's prohibitions are pernicious. Pharmacies are largely empty of stock as most antibiotics are either unavailable or in very short supply. Chlorination equipment and replacement parts for water pumping stations purchased decades ago from U.S. companies are laborious to obtain leading to an increase in the incidence of intestinal infections. Chemotherapy drugs, which are largely under U.S. patent, are in short supply. The

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sale of such commodities is limited under the various acts of the embargo and third countries are hesitant to run afoul of the United States since so much more trade and commerce takes place with it. Because gasoline is in such short supply, and travel is expensive and difficult, patients in the interior often find that they cannot travel to hospitals where services are performed. Everything from film for mammography units to maintaining mobile hospital vans is affected by the embargo. Because Cuba is a poor country, with a limited budget and hobbled by agricultural shortfalls, the embargo's ramifications on the health care system are enormous. According to the *New England Journal of Medicine* U.S. sanctions were the immediate cause of an epidemic of 50,000 cases of optic and peripheral neuropathy between 1991 and 1993, and the Ministry of Public Health had to initiate a crash program of importing multiple-vitamin supplementation for the Cuban people.[17] Although Cuba seeks to purchase supplies abroad, even when it can the embargo "seriously affects medical costs. Medicuba, responsible for maintaining the island's medical supplies ... spends $6 million for medical air and sea freight alone. If the same products were obtained in nearer markets, transport costs would be only $1 million to $2 million."[18] In sum, according to the American Journal of Public Health "the embargo has contributed to the deterioration in the quality of health care and has exacerbated undernutrition by raising the cost of medical supplies and food to the island."[19]

The Political Ramifications

In January 1997 I met in Havana with Miguel Barnet, the prominent Cuban novelist and folklorist, author of scores of books including *Biografia du un Cimarron* (Havana: Editorial Academia, 1996, 30th anniversary edition), and Director of the Casa Don Fernando Ortiz Literary Institute. A delightful man still brimming with enthusiasm for the revolution, his discussions with me reflected not only the position of medical and political authorities I met, but what Cubans felt wherever I met them. He made it clear that all Cubans, whether supporters of communism or not, stood in opposition to United

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States policy, especially as it relates to the embargo of medicine and food. Since all people's health and sometimes their lives are directly affected by this aspect of the embargo most identify themselves as nationalists standing in opposition to U.S. policy.

The embargo of medical technology and medicine has drawn Cuban society together and even enlarged the support of Fidel Castro who is seen as a nationalist standing up to the United States. Barnet insisted that it was vital for the North American public to understand that threatening the health of Cubans was a foreign policy ominous in its implications and would not quickly be forgotten. He reaffirmed time and again that it was essential for North Americans to grasp this point. His argument was significant as it was echoed by all medical personnel I met with. Indeed, most Cuban doctors are paid the equivalent of about $14 per month in pesos. They remain in their positions, as indicated to me, because they are proud to be participants in what amounts to a reformation in health care for Cuba and they are committed to it. Many even volunteer for one year service programs that third world countries contract out to Cuba, such as Angola, and South Africa (where some 600 doctors are presently practicing). These nations request their services because of the international reputation Cuban health care has attained.

Cuba today is not a security threat to the United States. The Cuban populations's health and Cuba's medical technological initiatives are incurring injury because the United States is attempting to prove that communism in Cuba can't work, and it is frustrated in that it has been unable to unseat Fidel Castro through nine different presidencies. But the policy of the embargo is incusing extreme frustration and animosity among Cuban medical personnel and the wider population. Article 25 of the Universal Declaration of Human Rights maintains that everyone has the right to the "health and well-being of himself and his family, including ... medical care and necessary social services."[20] An argument can certainly be put forward that the United States is in violation of

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Article 25 by repressing the right of Cubans to adequate health care.

Cuba has accomplished much in the development of a biotechnology and pharmacology industry directly linked to a public health care program that is remarkably innovative and often successful. It should be applauded for the advances it has made in health care for it has accomplished what no other third world country has, despite the intrusive activities of the United States. Miguel Barnet appears to be correct: the embargo has ominous effects that North Americans would do well to reflect upon.[21] Rather than maintaining a war against public health in Cuba the United States ought to recognize what Cuba has attained. It has advanced a public health record of genuine accomplishment which should be acknowledged rather that discredited via the embargo.

NOTES

1. "One thing Cuba does right," *The Economist*, September 7, 1996, p.42.
2. Leon Eisenberg, M.D., "The Sleep of Reason Produces Monsters—Human Costs of Economic Sanctions," *New England Journal of Medicine*, v.336, no. 17, April 24, 1997, p.1250.
3. Julia Sweig and Kai Bird, "Denial of Food and Medicine: The Impact of the U.S. Embargo on Health and Nutrition in Cuba" (Executive Summary), *American Association for World Health*, March, 1997, p. 16.
4. *New England Journal of Medicine*, op. cit., p.1249.
5. Mary Murray, *Cruel & Unusual Punishment: The U.S. Blockade Against Cuba* (Melbourne, Australia: Ocean Press, 1993), p.25. Ricardo Alarcón is presently President of the Cuban National Assembly of People's Power and is a member of the politburo.
6. Ralph Alan Dale, "Integrating Natural and Traditional Medicine with Conventional Medicine in Cuba," *Cuba Update*, Winter 1997, p.22. The United States has one physician for every 350 people. *The American Association for World Health* (March, 1997), maintains that "Cuba's health care system is uniformly considered the preeminent model in the third world," p.11.
7. In 1996 the number of HIV-positive cases reported was 1408 of whom 373 died. AIDS patients are removed from the general population and placed in special sanatoriums where they receive extensive medical care.
8. J. Madeleine Nash, "Made in Cuba," *Cuba Update*, September 1996, p. 20.
9. For additional information on Cuba's medical innovations see Ralph Alan Dale, op. cit.
10. Patricia Ruffin, "Socialist Development and Human Rights in Cuba," in Peter Schwab, Adamantia Pollis, *Toward a Human Rights Framework* (New York: Praeger Publishers, 1982), p. 123.
11. "A Conversation with Michele Frank, M.D.," *Cuba Update*, Winter 1997, p. 21.
12. *The Economist*, op. cit.

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13. See also Richard Garfield and Sarah Santana, "The Impact of the Economic Crisis and the US Embargo on Health in Cuba," *American Journal of Public Health*, January, 1997.
14. Mary Murray, op. cit., p. 26.
15. Malcolm Wallop, "Target Castro, Not Cuba's People," *Wall Street Journal*, April 24, 1997.
16. *What You Need To Know About The U.S. Embargo: An overview of the Cuban Assets Control Regulations*, Title 31 Part 515 of the U.S. Code of Federal Regulations, Office of Foreign Assets Control, U.S. Department of the Treasury, 1996, p.1.
17. *New England Journal of Medicine*, op. cit., p. 1249.
18. *Adverse consequences of the economic embargo by the United States of America upon the enjoyment of human rights by the Cuban people*, Ministry of Public Health, Havana, 1991. According to *The American Association for World Health* (March, 1997), the increases in shipping charges "cost Cuban importers up to 30 percent more ... over World Scale rate." p. 13.
19. Richard Garfield and Sarah Santana, op. cit. See also *Cuba Update*, Winter 1997, p. 32.
20. *Universal Declaration of Human Rights*, December 10, 1948.
21. Julia Sweig and Kai Bird, op. cit. See too Peter Schwab, "Views On Cuba: Life is Improving," *The Miami Herald*, May 2, 1997, p. 21A. For additional and iconoclastic views of Miguel Barnet, who apparently carves out time to meet foreign authors, see Tom Miller, *Trading with the Enemy: A Yankee Travels Through Castro's Cuba* (New York: Basic Books, 1996).

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A CRITIQUE OF TABB ON GLOBALIZATION

by RICHARD B. DU BOFF AND EDWARD S. HERMAN

In "Globalization Is *An* Issue. The Power of Capital Is *The* Issue" (*MR*, June 1997), William Tabb rejects what he calls "the strong version of the globalization thesis" as based on the "myth" that "technology and irresistible market forces [are transforming] the global system in ways beyond the power of anyone to do much to change." He prefers "a more nuanced view," which would give "a major role to national-level policies and actors, and the central position not to inexorable economic forces but to politics."

But Tabb has set up a straw man: by definition, those who espouse the "strong version" believe that capitalism has triumphed for good, that the nation-state is no longer relevant, and that "there is no alternative" to the existing social and economic system. Tabb is not the first *MR* contributor to interpret globalization this way, nor the latest. In the July-August 1997 issue, Ellen Wood embellishes Tabb's strong version by claiming that it "cuts the ground from under class politics [and] socialism as a political objective," and implies that "the best we can do is liberate a little more space in the interstices of capitalism, by means of many particular and separate struggles ... that sometimes go under the name of identity politics."

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Not only do we reject these propositions, we reject the arguments used to support them, namely, that globalization has little basis in economic fact, is no more advanced than it was during the pre-1914 years, and has no significant political consequences. Our version, both "strong" and "nuanced," would be that since the early 1970s changes in technology and politics have greatly increased the ability of capital to do what it has always wanted to do—turn the world into one "free market" for finance, production, and wage labor. Ideologically strengthened by the collapse of communism, corporate capital has used its initiatory power in the realms of investment, employment, pricing, industrial location, and selective implementation of new technologies to leapfrog ahead of the ability of progressive forces to mobilize and fight back—which takes time, organization, and, if history teaches us anything, decades of struggle. This is not exactly the first time workers, and the entire left, have faced this situation; nor is it the first time that capital has been able to use the nation-state to accomplish its ends easier and faster, this time in significant measure through the creation of supranational institutions promoting the needs of transnational finance and production (NAFTA, EU, WTO, MAI, and multilateral trade agreements, including the latest "Uruguay Round").

Tabb argues that "the first need is to critique the strong version of globalization" because its political implications are "defeatist" and have "disempowered much of the left." But he gives no evidence that the strong version has disempowered anybody. He asserts that "Much of the U.S. labor movement has embraced the strong version of globalization, placing almost exclusive emphasis on runaway shops and the threat of low wage production venues in the Third World to American workers." We question this characterization of the views and policy emphases of American labor unionists. Tabb may be confusing labor's perceptions of the threat from globalization with their actual behavior: they may perceive trade and runaway shops to be threats, but they do not spend all their time fighting them while abandoning struggles for worker welfare at home (see the comments of Hector Figueroa of the

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Service Employees International Union, *In These Times*, 31 March 1997).

We believe that a "strong version" is no more "defeatist" than an analogous strong version would have been a century ago, when the industrial system had been dramatically altered in the previous 20 years by the rise of continent-spanning oligopolies and the virtual destruction of the labor movement by the Supreme Court and Pinkerton's police, and any political response had to face these intimidating new realities. The changes that culminated in the last decades of the nineteenth century transformed disconnected local and regional economies into national economies dominated by corporate capital. Globalization represents a continuation of this historical process—the global economy surpassing the national economy as the most relevant economic space for finance and production for a steadily larger, and dominant, fraction of capital.

This does not mean that the nation-state is "finished" or unimportant: it does mean that financial and industrial accumulation are less dependent on national capital, labor, and technologies and are increasingly drawn into global networks of financial markets and multinational business organizations, with commensurate strategic interests. Furthermore, if as Keith Cowling and Roger Sugden contend (*Transnational Monopoly Capitalism*), transnational corporation (TNC) growth is "partly a response to the problems posed for the giant corporation by the advent of political democracy coupled with the rising power and militancy of labor," and is designed not only to weaken labor but "to undermine the [democratic political] institutions themselves," any politics failing to take these considerations into account would be irresponsible.

Tabb may know some leftists who have swallowed the "myths" of globalization and believe that "there is no alternative" to an all-triumphant capitalism; we don't. And if the real world demands a closer focus on capital's globalization strategies and new approaches to political organization, the Tabb approach may be counterproductive, doing a bit of disempowering itself. This is evident in Wood's comment on prospects

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for cross-border solidarity and networking: "most people—reasonably enough—have trouble believing in that degree of internationalism, and in the very possibility of organizing on that level, [so] they naturally conclude that the game is up." We regard *this* as defeatism, ruling out an important avenue of worker resistance. (For a more positive view of labor internationalism, see Abby Scher, "Coming in from the Cold in the Struggle for Solidarity," *Dollars and Sense*, September/October 1997; Esmail Hossein-zadeh, "NAFTA and Sovereignty," *Science & Society*, Summer 1997).

Tabb is so eager to discount globalization that he asserts that "transnational capital avoids really low wage production sites, and indeed avoids investing in most developing countries." While wages and working conditions are not the only factors entering into investment decisions of TNCs, it is misleading, and wrong, to imply that differences in wage rates and labor exploitation have not been a primary force in the growth and distribution of foreign investment. Tabb's discussion here is also static and ignores changes in patterns of investment. The activities of transnational capital are still concentrated in the Triad (North America, Europe, Japan), but the involvement of the developing world, especially Latin America and Asia (excluding Japan), is substantial and has been growing. In the 1980s, the Triad accounted for 94 percent of all foreign direct investment (FDI) outflows, and only 22 percent of those outflows went to developing countries. In 1993-95, the Triad share of FDI outflows (now exceeding $315 billion per year) fell to 84 percent, and 38 percent of all outflows went to developing countries. Most impressive may be the increase in outward FDI from developing countries themselves—from 0.3 percent of all FDI in the 1970s to 15 percent in 1993-95, with half the FDI flows from Asian developing countries invested in the same region. The governments of developing countries now "recognize the importance of outward FDI for the competitiveness of their indigenous firms and are beginning to remove regulatory obstacles to such investments" (*World Investment Report 1996*).

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Prominent among these countries are Mexico, Brazil, the Republic of Korea, Hong Kong, and Malaysia.

The aim of corporate investment in lower-income countries is twofold—to penetrate growing markets and to cut labor costs. Regarding the latter, Tabb himself notes that with the new phase of stagnation since the 1970s, capital has been pursuing "a new low wage strategy." Globally, this is accomplished in two ways. One is through intrafirm trade by TNCs—cross-border shipment of parts, components, and semifinished goods between the parent company and its foreign affiliates, and among affiliates themselves. This not only allows TNCs to break down the production process into stages and produce intermediate goods in geographically dispersed low-cost locations; it now makes for the transfer of whole technologies embodied in equipment and managerial practices. The best example is Mexican automobile facilities, where workers receive about one-eighth of the compensation of their U.S. counterparts, even though quality and productivity sometimes exceed U.S. levels. According to GM's own criteria, most of its top-rated factories are in Mexico. The auto giant is not resting on its laurels: it is "building the same plant in Argentina, Poland, China, and Thailand—simultaneously.... The company has designed the plants to look so much alike that engineers may mistake which country they are in. And the assembly lines are being set up so that a glitch in a robot in Thailand, rather than turning into an expensive engineering problem that requires an expert for each machine at each plant, may well be solved by a quick call to Rosario or to Shanghai" (*Wall Street Journal*, 4 August 1997).

The second is through "outsourcing," which covers not only parts and components that TNCs import from their affiliates but also goods produced by subcontractors to be used in further production by a U.S. firm or sold under its own brand name. Outsourcing "has expanded dramatically over the last two decades," according to Robert Feenstra and Gordon Hanson (*American Economic Review*, May 1996). Between 1972 and 1990 imported intermediate inputs of all types increased from 5 percent of total material purchases by U.S.

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manufacturers to 12 percent. These figures in turn hide a much higher propensity to outsource in certain industries—textiles and apparel, footwear, consumer electronics, instruments, toys, sports equipment, and others. Involved are TNCs like Nike, Compaq Computer, and General Electric, which imports all of the microwaves sold under its own name from Samsung in Korea.

Tabb states that 15 percent of the world's industrial output is produced by TNCs outside their country of origin, while 85 percent comes from companies producing for their domestic markets. That 15 percent—which embodies the critical flows of intrafirm trade, technology, and outsourcing—is for the year 1990, when it already appears to have been twice as large as in 1970. It continues to grow and represents a multi-pronged threat to wages and working conditions in all domestic industries. TNCs aggressively use the possibilities of relocation and outsourcing as leverage over recalcitrant governments and workers. As Harvard's Dani Rodrik points out (in *Has Globalization Gone too Far?*), "globalization makes the services of large segments of the working population more easily substitutable across national boundaries, and therefore fundamentally transforms the employment relationship." Thus, while visions of a "global assembly line" are often exaggerated, they must not be downplayed. They show us where transnational capital is headed: can anyone doubt that we are only at the beginning of this malignant process?

It is curious that, for Tabb, the issue here is not the globalized production possibilities being created by corporate capital, but rather that "nearly two-thirds of the world's population is basically written off as far as foreign investment is concerned," and that "between 70 and 100 countries are worse off now than they were in 1980." We'd have thought that this is one and the same process—the worldwide spread of financial and industrial capital and the growing inequalities that one would expect to result, just as they have inside the United States itself. Uneven development has always characterized

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capitalist growth; we see no reason to think that its extension to the four corners of the earth would be any different.

Tabb also tries to deflate the importance of globalizing finance. He claims that in terms of "capital movements" there was no increase in "openness" between 1875 and 1975 and that financial markets were more fully integrated before 1914 than they are now. His argument is based on Robert Zevin's study of rates of return on similar categories of assets, which found that short-term interest rates on prime commercial loans and government bonds converged as much then as now in major financial centers. This of course is what the pre-1914 international gold standard was supposed to and did produce. But Tabb omits important facts. First, compared with 1875-1914, a much higher proportion of overseas investment now is direct (FDI), which is undertaken for controlling and operating business enterprises abroad and makes for greater economic integration. (The rest is "portfolio investment," for purposes of income and asset appreciation.) Second, with floating foreign exchange rates and a much greater level of speculation today, Zevin himself raised "the more sinister possibility" that "speculators or investors can 'punish' an offending regime with depreciating currency or capital flight, perhaps more effectively than may have been the case under pegged rates [1875-1914]." Third, Tabb ignores the historical and institutional changes between then and now, principally the new supranational mechanisms for integrating not only a far wider range of financial activities but also trade, investment, and production across national borders.

Tabb observes that after 1914 there was a retreat from globalization and, eventually, the emergence of welfare states. And he does imply that globalization—"an undermining of the restrictions on capital which had been put in place in the crisis of the inter-war period"—has damaging effects and "finally undermines the ability of the system to reproduce itself." But as his objective is to deflate globalization, he contradictorily asserts that "the new triumphs of laissez faire ideology and policy" have "little to do with globalization, and a great deal to do with the victories of capital over labor"—as

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if these are in separate compartments. And if the new globalization surge is merely a resumption of the pre-1914 trend, does this make it any less important? And isn't it more important now than earlier given its destructive impact on welfare states that did not exist in the pre-1914 world?

Tabb's analysis of the role of the state has a formalistic, and non-left, quality. "The idea that 'globalization' has weakened the state," he says, "ignores the continuous technical ability of the state to regulate capital." He adds that if the governments of the United States and Britain have encouraged deregulation, "this was a political choice, not a technical necessity." Whoever said these were "technical" issues? And what kind of left position is it to point to the "technical" ability of the state to regulate capital as having any meaningful relation to its actual political capacity at any given time?

Tabb's unwillingness to acknowledge that globalization, with its enlargement of the effective reserve army of labor and its enhanced investment protections abroad, has anything to do with "the victories of capital over labor" is unreasonable, sacrificing a confrontation with reality to the goal of avoiding "defeatism." He even assures us that the United States "has the power to raise wages and improve working conditions everywhere." Wood adds that the state still possesses "the means by which an anti-capitalist force could sever capital's lifeline," by "detaching material life from the logic of capitalism." This virtual dismissal of the adverse effect of globalization on politics seems almost Panglossian. If the United States has made a "political choice" to encourage a race to the bottom for its workers or to tie material life more closely to market relations, it can choose otherwise! Let's just do it!

Of course we agree that potentially the state does have the power to redistribute income and wealth downward, and to control movements of capital as well. But it has been "technically" able to do these things for decades, if not centuries. Why it has not, or why its advances in these areas are limited and often rolled back, is what political and economic analysis is supposed to address. The belief that globalization

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has no effects is not based on analysis, and is a recipe for misguidance and failure.

In a series of articles since 1996, *MR* editors and authors have sought to downgrade globalization as mainly an "ideological mystification," an artifact of "postmodernism," and "based on a myth" that denies any role to politics. We believe that this is a seriously mistaken analysis, and that it clashes with the historical momentum of capitalism that *MR* itself has done so much to elucidate over the years.

CONTEXTUALIZING GLOBALIZATION: COMMENTS ON DU BOFF AND HERMAN

by WILLIAM K. TABB

In the June 1997 issue of *MR*, I wrote an essay, "Globalization is *an* Issue, the Power of Capital is *the* Issue." Richard Du Boff and Edward Herman, two economists whose work I respect and whose books I have used in my classes, now polemicize against "Tabb's unwillingness to acknowledge that globalization ... has anything to do with the victories of capital over labor...." I wrote no such thing, as readers can verify for themselves by going back to that June issue. Such a view (which I do not hold) is indeed unreasonable and wrong-headed. They in fact attribute a number views to me which I do not hold. They propose "alternatives" and I agree with a number of these.

William K. Tabb teaches economics at Queens College and political science at the Graduate Center at the City University of New York. He is the author of *The Postwar Japanese System* (Oxford University Press, 1995).

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I suggested the need for a two part analysis as a way of addressing those who think everything has changed because of "globalization" The first, and the project of my essay, was to describe the continuities in the capitalist system. The second project and the one Du Boff and Herman are interested in (aren't we all) is in how the dynamics of capitalism have changed since the postwar era, and the role of the complex developments, generally lumped together into the construct "globalization." They do not think there is any reason for the first of these tasks because while "Tabb may know some leftists who have swallowed the 'myths' of globalization and believe 'there is no alternative'" Du Boff and Herman do not. I'm glad they don't know any such people. I know quite a few and believe that the acceptance, conscious or subconscious, of a view of such inevitability has served to disempower and weaken the left.

They continue that "even if we ever find any we are sure they will be outnumbered by leftists whose first aim is to debunk globalization." What should be debunked? The idea of an all-encompassing all-determining globalization? That is what I set out to do. It *should* be debunked. But debunk the idea that globalization is happening? I would hope not, because it *is* occurring. The point is what is not new and what is. Globalization, as they write, and as I argued in my essay, represents a continuation of a historical process.

I quoted the Communist Manifesto on the way "the world market gives a cosmopolitan character to production and consumption in every country." What was true then is more true now. I explained how the two World Wars and great depression interrupted this trend in many ways and that it now has been renewed with a vengeance. I note what has happened to unions (but nowhere say, and certainly do not believe that unions have "abandoned struggles for workers welfare at home"). I certainly did not say that these changes have "little basis in economic fact" or that globalization in the present period "has no significant political consequences."

They make much of my statement that the nation-state has, in theory, the means to control transnational capital. They ask what meaningful relation can that have to practical politics?

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The relation is that many people believe it unrealistic to think that capital in a global market economy can be so controlled. Before some people can believe and struggle for the political control of transnational capital within the nation-state, they have to be shown, (as economists such as Jim Crotty, Gerry Epstein and John Eatwell have shown) that the obstacles are political, and not some operation of "natural" economic law. Du Boff and Herman write, "Tabb's analysis of the role of the state has a formalistic, and non-Marxist quality." Why? Because I say deregulation and indeed regulation, are not technologically determined but the outcome of class struggle and so of political choices. They twist this to mean that I say: "If the United States has made a 'political choice' to encourage a race to the bottom for its workers or to tie material life more closely to market relations, it can choose otherwise! Let's just do it!" I said no such thing.

The quote they offer from Dani Rodrik is one with which I certainly agree, but as Rodrik also writes (in the same source from which they quote), "globalization is not occurring in a vacuum. It is part of a broader trend that we may call marketization." He has in mind the shrinking of social obligation, receding government, and deregulation, and after listing such factors concludes "globalization could not have advanced this far without these complementary forces." It is this larger context of how capitalism works which I stress.

There are differences among capitalist countries. For example only in the United States and Britain does the data show over the most recently available ten year period a double digit increase in earnings inequality. Politics and class struggle matter. That globalization plays a part in this is a view we share. But what kind and how much of a part? I note for example that manufacturing output in the United States is five times higher than it was in 1950 but is produced with fewer workers. The United States has not become a service economy simply because our clothing is made in China and elsewhere in the Third World, our computers and other electronics assembled abroad, and that internationalization of economies continue.

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Taking the most dramatic case, that of the less educated, lower wage worker, who is most affected disproportionately in the garment and electronics assembly industries, there have been a number of econometric studies, which (while they are not unflawed) show globalization as accounting for 20 percent or so of the problem. For example, the decreased demand for less educated workers arising from the trade deficit accounts for as much as 15 percent of the increased high school-college wage differential (good summaries of research on the causes of increased inequality have been presented by Richard Freeman and Lawrence Katz). But then, by itself, the precipitous drop in the unionized share of the work force explains 20 percent of the overall wage dispersal among male workers. Reagan did not break PATCO or Dole campaign against the teachers unions because of globalization. Other factors are also involved, and too easily forgotten, by exponents of "globalization did it all" thinking. If globalization is "a primary factor" in growing inequality, it is also (according to most studies) less "primary" than displacement by technology, and the decline of union density.

I said in my essay that capitalism has been pursuing "a new low wage strategy." Du Boff and Herman explain that "globally this is accomplished in two ways." I would suggest that there are more than "global" ways, and indeed more than these two even when we discuss global forces. The foreign direct investment flows are yet more complicated in East Asia than Du Boff and Herman indicate in their "critique" (as I discuss in my book, *The Postwar Japanese System: Cultural Economy and Economic Transformation*, Oxford University Press—a plug I include because the authors would have it that I have never thought about these issues). They cannot deal with all these aspects in a short comment, nor did I intend to write an essay which included all my thinking on globalization.

They explain that what is going on is a process of combined and uneven development. I agree here also. Readers interested in my analysis of combined and uneven development are encouraged to look at what I have written on the subject (with Arthur MacEwen) in our essay "Instability and Change in

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the World Economy," in the *MR* book by the same title which we edited. I make these references because reading Du Boff and Herman one would get the idea I disagree with these analytic points. I do not, and have written extensively on most of them.

I have never liked polemics (even when I have not been the target) because it is a genre which is redolent with bombast, a strong tendency to misstate the views of others, and accusations of betraying the cause. All of these modalities characterize the Du Boff and Herman piece. So, why did they write it? I cannot know of course, and perhaps it is foolish to speculate on motivation, but do take note of their closing paragraph which is critical of the recent direction of *MR*. Perhaps that is what they should have written about directly. I myself believe *MR* has performed an admirable and necessary task is debunking postmodernist ideological mystifications. I also do not read *MR* as having "sought to downgrade globalization" but rather to understand it.

A NOTE ON DU BOFF AND HERMAN

by ELLEN MEIKSINS WOOD

I'm taking the liberty of appending this note because, though Du Boff and Herman's article is directed mainly at Bill Tabb, it refers to some of the things I've written about globalization.

Recently, I got a letter from Bill Doyle, who wrote, "After reading Ed Herman's comments in *Z* (magazine), I re-read your article and couldn't see why Ed was so exercised. I'd be

Ellen Meiksins Wood is co-editor of *Monthly Review*.

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interested to know if you see a substantial difference between the two of you, and, if so, what it is." Here, with some minor changes and additions, is what I wrote back:

I have to admit that I've been having the same problem myself understanding why [Ed Herman] is so worked up about my comments on globalization. It seems—or seemed—to me that there is so much common ground between us, and even our differences aren't (or so I thought) of the kind that should generate this kind of indignation. But he and Dick Du Boff have just submitted an article to *MR* replying to a recent piece by Bill Tabb, with some side-swipes at me, and now that I've read it I begin to understand at least part of the problem.

Their main disagreement with me has to do with the state. First, though, here's what I think we have in common on that score—which is substantial: we agree, as I understand it, that the state in today's global capitalism still has a major role to play in advancing the interests of capital. I'm not even sure they disagree with my argument that the state has in some respects become more, not less, important to capital. So we seem to be joined in our opposition to the conventional assumption that globalization by definition means an increasingly irrelevant nation-state. So what's the problem?

Well, it seems to come down to this: for Herman and Du Boff, the (increasing?) role of the state in support of capital testifies to the *limits* of state power in relation to capital, or, more specifically, the limits on the power of anti-capitalist forces. They castigate me (and Bill Tabb) for failing to acknowledge the "adverse effects of globalization on politics." We even, they maintain, have an almost Panglossian view of state power. We seem to think that "If the United States has made a 'political choice' to encourage the race to the bottom for its working class, it can choose to do otherwise." It's just a question of political will. They suggest, with some contempt, that our political message is simply "Let's just do it!" But, they say, while the state may be *technically* capable of regulating and controlling capital (it always has been), globalization has limited its *political* capacity to do so.

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But isn't there something odd about their argument? Starting with the same premises, you could come to just the opposite conclusion. I do so myself, and not at all because I focus on the purely technical capacities of the state at the expense of the economic and political context in which it has to operate. On the contrary, it's because I think globalization (or some of the trends that go under that name, often with a lot of misleading baggage, some of which Herman and Du Boff themselves disclaim) is creating new economic and political conditions which make anti-capitalist struggle not less but more possible and potentially effective.

I talk about some of these things in this year's summer issue (vol. 49 no. 3), so I'll just say this much here: globalization implies, among other things, those ruthless state actions we associate with neo-liberalism, policies designed to enhance "competitiveness" and "flexibility," not just for individual firms but for whole national economies, in the global market. Those policies are there not just because capital *wants* them but because it *needs* them to guarantee maximum profitablity in an integrated and competitive global economy. Even the World Bank in its latest World Development report, *The State in a Changing World*, insists on the importance of an "effective" state, which, "harnessing the energy of private business and individuals...acts as their partner and catalyst, instead of restricting their partnership." We know all too well what that "partnership" means.

Such ruthless actions by the state in partnership with capital certainly reflect an adverse distribution of power between capital and labor. But I'd like to know, first, when was this golden age that *wasn't* marked by an "adverse" relation between capital and labor, and when the state *didn't* act above all in the interests of the dominant class? I thought that was the whole point of capitalism—and indeed any kind of class exploitation. And "globalization" is surely more a result than a cause of those adverse class relations. But, in any case, hasn't the issue for socialists always been how to *change* the distribution of class power? Isn't that, after all, what class struggle is all about?

Of course, capital gains advantage over labor by holding out the threat of moving elsewhere. I don't deny this reality.

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And while I don't think Du Boff and Herman adequately deal with the question of how much of this threat *is* reality and how much is saber rattling which derives much of its credibility from the nearly hegemonic ideology of "globalization," that's not my main point. My main point is that, however adverse the balance of class forces may be, globalization is laying the foundation for a different reality.

Globalization, precisely because it implies capital's dependence on the state to sustain competitiveness, represents new vulnerabilities in capital and new possibilities for organization and struggle against it. The more capital depends on the state for its own reproduction, the more susceptible it is to frontal attack and the more it presents a concentrated target for oppositional forces. And by offering this concentrated target, it enhances the possibility of overcoming the hitherto intractable fragmentation of anti-capitalist forces and of the working class in particular. It's not an accident that we've been seeing so many protests in the streets of so many countries which have in common the actions of their respective states in pursuit of "globalization."

I'm not suggesting there's an easy option. I do think that (as Sam Gindin argues in the summer issue, and as I suggested in the conclusion to my book, *Democracy Against Capitalism*) globalization is polarizing the options and eliminating much of the apparently easier middle ground between just giving in to the harshest forms of capitalism and confronting it head-on. As Gindin points out, the real casualty here is not the socialist project but the social democratic one. It's in that sense that I accept globalization's "adverse effects on politics." But this also implies that the possibility of a truly anti-capitalist option is growing, not diminishing.

As for Du Boff and Herman's "Let's just do it!," this seems a wilfull misunderstanding of what I (and I dare say, Bill Tabb) have in mind. Of course "we" can't "just do it." For one thing, "we" don't control the state. But that's the whole point, isn't it? That's where the *struggle* comes in, isn't it? The point is that political power in the right hands, a truly *democratic* political power, could make a big difference—which obviously

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wouldn't be true if the state and control of it had been made irrelevant by globalization.

So contrary to all those on the left who have given up on class politics (or, for that matter, on class organization and struggle of any kind, at any level—and if Du Boff and Herman haven't encountered people like this, they must lead very sheltered lives!), and contrary to all those who think that the state is irrelevant, I'm suggesting that political organization of the working class is now more important and potentially effective than ever. But we have to stop thinking about the state as simply an instrument for "intervening" in the capitalist economy or providing a "safety net" against the ravages of capitalism. It's time to start thinking about how democratic political power can be an *alternative* to capitalism, a means of detaching material life from the logic of capital accumulation and market imperatives.

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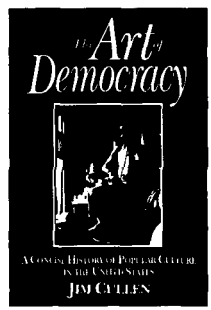

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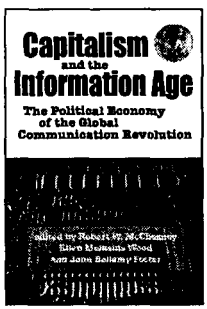

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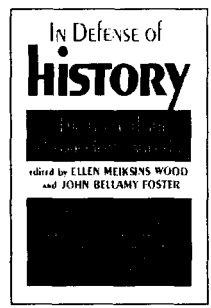

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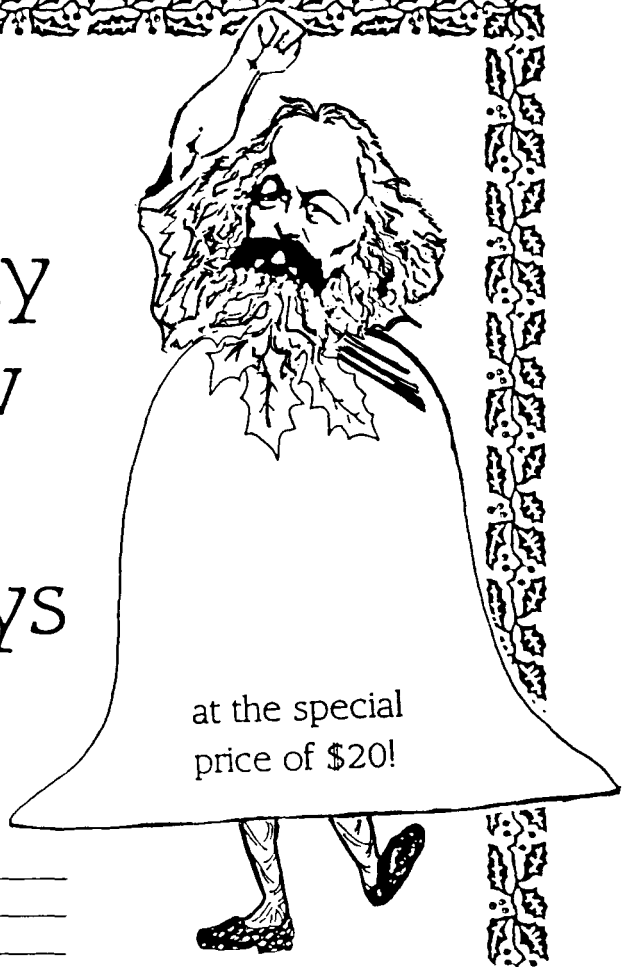

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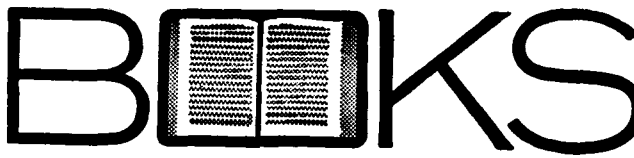

Belated Praise of Communist Party Activists

by Jack Weston

Alexander Saxton, *The Great Midland* (Urbana and Chicago: University of Illinois Press), 352 pp., $15.95.

This radical working-class novel, one of the two or three best in the United States, fell stillborn from the Appleton-Century-Croft presses in 1948, an early victim of the cold war. Although for many years I taught lots of radical novels, I didn't know this one existed, the system worked so efficiently to bury it. We still wouldn't know of it if Constance Coiner three decades after its blacklisting hadn't discovered it, identified and fallen in love with its hero, Stephanie Koviak, and prodded the author to support her in seeking a new publisher.

Coiner found this novel while writing a book about Meridel LeSueur, Tillie Olsen, and the Communist Party,[1] not the first time a woman in the movement seeking her sisters' lives has expanded and enriched recorded history. Consequently, we have here an accurate and useful edition of a rare unearthed treasure about struggles in the railroad industry during the Great Depression. The author Alexander Saxton provides a full, moving, and insightful introduction, filling out the fragmentary one, also included, which Coiner was working on just before her death last year.

The Great Midland, Saxton's name for the railroad which runs South from the Loop on the east embankment of the Chicago River, is in reality, I think, the Santa Fe, with its central yard, sidings, maintainance buildings. The people are the workers—the car-

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Jack Weston is a former teacher of the literature of the dispossessed at the University of Massachusetts in Amherst and the author of *The Real American Cowboy* (New Amsterdam Books, 1988).

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builders in the wheel pit, switchmen, brakemen, carknockers, coach cleaners, mostly members of trade unions or brotherhoods—along with, of course, the bad guys—the union officials, foremen, yard dicks, fat-cat lodge chairmen. We experience Saxton's world vividly for he describes the surroundings, including the work processes, in wonderful detail. The time is between world wars but mainly the last three years before our entry into the second one. The people struggle for more pay, job security, worker power by cross-industry alliances, supportive community in the neighborhoods, and the truth about their society.

Saxton tells the history of three families linked by their work, neighborhood organizing, the Communist Party, deep friendships, and the troubled romance of two young lovers, Stephanie and Dave. Pledger McAdams returns to car repairs for Midland after fighting in France, survives a race riot, starts a family, changes to coach cleaning because of his Jim Crow union, joins the CP. He begins to lose his seething hatred of whites through the warm relations with Polish immigrant Koviak, a yardman and the father of Stephanie. Pledger's best friend is fellow CPer Dave, the favorite nephew of Eddie Spass, a former hobo, brakeman and Wobbly. Dave has just returned wounded from Spain to his old railroad job and his much loved wife, Stephanie, later a CPer too but now feeling abandoned.

The love story brings tears to your eyes but without any guilt over sentimentality because it's based on the political-economic reality of a working world. Dave is a revolutionary to his bones, instinctively committed to class struggle. No dialectician, he sees history simply as the efforts of people to improve their lives: "People fight to stay alive ... to live better and longer." He's naturally part of that fight but also deeply in love (as I am and you will be) with Stephanie, whose yearning for middle-class ease and high culture contradicts her consciousness of the oppressed and partial lives of people she knows best and loves the most.

We can see something of Dave's fighting eloquence in his explanation to a union militant in 1941 of his loyalty to the Soviet Union. In a tavern, Dave is responding to kidding about why he and his fellow "commies" aren't wearing the big *No convoys-no AEF* buttons now that the German tanks are moving east:

"Listen, Red, who you been fighting all through this wage movement?"
"I been fighting the railroad."
"And who owns it?"
"Son-of-a-bitching bank, I guess."

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"The Western States Bank and Trust Company in New York owns it. So who do you think you're fighting when you fight the Great Midland? You're fighting Wall Street and American capital. And American capital doesn't smell any different from any other kind. England, France, America, the whole capitalist world—they been trying to smash the Soviet Union for twenty years. They let Hitler take Spain and Austria and Czechoslovakia to build him for the job."

What useful lessons can radicals learn from this fine novel? We learn (or relearn) the value of grass roots activism and education helped by a national organization, the only effective one then, the Communist Party. The ideology of the members comes as much from old native radicalism as from the Marxism pushed by the party. Stephanie uses her own selection of texts in the People's School night classes she teaches, not necessarily the party literature offered in the bookstore near the front office. As education director of her thoroughly down-home neighborhood branch, which is organized by a busy housewife, she gives weekly reports in the living room on The Problem of India or Wage Labor and Capital or The Position of Women under Capitalist Society. The weekly agenda is usually "circulation of the party newspaper and raising funds." In his Introduction, Saxton defends his story of CP activism: "The neighborhood and industrial branches I knew in Chicago linked into sequences that ran separately from national leadership.... [They] were logical, almost inevitable forms of political activism ... the lifeline of American radicalism." He continues: "On race, as on the condition of women, the American Communist party stood fifty years ahead of the rest of the country" (pp. xviii, xxiv).

Saxton dropped out of the party in 1959 because it had ceased to be politically effective, not because of Stalinism, for which neither he nor his party felt responsible. He kept the materialist, socialist vision he had expressed in Stephanie's thoughts at the very end, while she waits for her train on the elevated platform: "One day, one day, out of the gray snow, out of the yards and alleys and the little houses whose roofs stretched endlessly beyond the embankment, the fire would crackle up. Waste and failure and misery and death demanded a bitter harvest." The fire of Stephanie's faith is, of course, socialist revolution.

NOTES

1. See Constance Coiner's *Better Red: The Writing and Resistance of Tillie Olsen and Meridel LeSueur* (Oxford, 1995) and my review of it in *Monthly Review*, Vol. 47 No. 10, March, 1996, pp. 49-53.

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The Truth From Palestine

by Camille Goodison

Norman G. Finkelstein, *The Rise and Fall of Palestine: A Personal Account of the Intifada Years* (University of Minnesota press, 1996), $18.95, 192pp.

Norman Finkelstein, author of the critically acclaimed *Image and Reality of the Israel-Palestine Conflict* (Verso Books), has with a mix of native intelligence, meticulous analysis, and a spot of well-regarded humor written a book of exceptional decency, courage, and conviction. A seemingly small-sized book, each page is densely packed with telling anecdotes and fascinating, if shocking and dismal, information of the current Israel-Palestine situation. I suppose, considering the content, the truly most scandalous aspect of reading *The Rise and Fall of Palestine* is just how much of it, and that is to say almost all of it, qualifies as new "news." For the socially-aware among us, keeping up on all the "news that is fit to print," that is something to ponder.

The American son of Nazi death camp survivors, Finkelstein covers Israel's many crimes against the Palestinian people with an honorable and just sense of moral indignation. The two most astonishing things for me and what makes this sharp, well-prepared text an invaluable source is that this account comes out of Palestinian villages and refugee camps, not exactly a common occurrence and his concluding chapter, "The End of Palestine?", complete with parallels to events in U.S. history regarding Native American land dispossession and expulsion, was a skillful, plucky, well-de-

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fined bit of scholarship. Finkelstein is in the business of exploding myths and whatever else is passed off as truth by the government of Israel and her western allies. He's not terribly impressed by the elocutions of Israeli or U.S. leaders nor their counterparts in the press and disarms them easily.

The Rise and Fall of Palestine covers the period between the latter part of 1988 to the present. After first traveling to Palestine in the August of 1988 as part of an American-Arab anti-discrimination committee human rights delegation, the author managed to befriend Samira Mikhail, a bright, thoughtful English teacher from Beit Sahour, a village outside of Bethlehem, and the likeable Communist, Moussa Abu Hashhash of the Fawwar refugee camp. Upon the invitation of both families, the author was able to make repeated visits to the occupied territories and chronicled all that he witnessed.

Living lives filled with terror and constant humiliation (some being of the most bizarre and arbitrary nature!), it is heartening to read of the everyday resistance of the Palestinian people to Israeli exploitation and intimidation. Sure they are out-gunned, to say the least, and their oppressors are determined in their efforts to completely degrade and frustrate them, but readers will feel a great affinity for these ordinary people who find every which way available to them to avoid conceding defeat.

> As we fled a hail of bullets in Jalazoun camp, a teenage girl stopped short to comfort the photographer, who had dropped to the ground. When the boy beside me, clutching his wound, screamed in agony, elderly women rushed from their homes to his rescue.... Moussa, faced with the likelihood of yet another arrest, told me without self-conceit, "So let them kill me." ... I watched each day as children confronted by the *jaysh* knowing full well that one of them would likely be shot, perhaps killed.... Ironically, the Israeli occupation trained Palestinians to resist almost from the cradle. While I was walking along the road one morning with Moussa and his one-and-a-half-year-old son, Urwa, a jeep drove by. "Jaysh!" Urwa cried, as he picked up a stone and threw it in the direction of the vehicle.

But we see this resistance in both its active and passive forms as a curious sign of optimism. It *is* possible to grind the machine to a halt, if only for a minute. And the rest of the world? What if they see and see why. Well, as with so many other things in the territories, the *Intifada* becomes routinized. The Israeli army brings to bear the full weight of its "coercive apparatus" on the lives of these men, women, and oftentimes, children. Within the space of a year, the

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reader sees energy, enthusiasm and optimism being replaced by their antitheses. Finkelstein in a chapter entitled, "The Ordinary, the Awful, the Sublime," discusses in some detail the factors leading to this demoralization: economic, political; internal, external; domestic and international.

A highly effective (and thoroughly entertaining) motif in *The Rise and Fall of Palestine* is the author's insistent use of parallelism or the mirror-image, if you prefer. The author is able to use events in past and recent world history, including occurrences during the Nazi period, to expose and point out the ironies, the blatant hypocrisy, the moral inconsistency of Israeli rule and U.S. sanction.

"A Double Standard in the Application of International Law," *The Rise and Fall of Palestine's* middle chapter, is as compelling and complete a case as any I've ever read. Finkelstein does indeed provide a "sober analysis," and one that is apparently well overdue, of the destructive and crooked nature of our Middle East policies. Using the response to Saddam Hussein's invasion of Kuwait and contrasting it with the typical response to Israel's many flagrant human rights abuses, Finkelstein very ably indicts Washington and the U.S. media.

With discredited, compromised institutions and discredited, compromised leadership (most noteworthy, Chairman Arafat), we are left with a picture of a despondent people, disgusted by lies and betrayal even when dressed up in fancy diplomacy and announced with much fanfare. The conversations Finkelstein has with his young Palestinian students and their families are thoughtful, intriguing, and must absolutely be read. These voices are seldom, if ever, heard but, thankfully, he brings them to us.

The author and his mother (survivor of the Warsaw Ghetto and Hitler), whom he also quotes occasionally, make it clear that the creation of the State of Israel and the subsequent subjugation of the native Arab population are tragedies. Tragedies of an awful nature because, spurred on by racism and malice, a people who should have known better caused the ruination of an innocent people. There is no possible moral defense. In the opening chapter of *The Rise and Fall of Palestine* Finkelstein states:

> ...Just as Germans for generations to come would have to bear the burden of Nazism, so Jews for generations to come would have to bear the burden of Israel's merciless assault on the Palestinian people. Just as Germany's name was now inextricably linked, not just with Beethoven

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and Brecht, but with Hitler and Himmler, so the Jewish people's name would now be inextricably linked, not just to Marx and Menuhin, but with Sharon and Shamir. Israel's terroristic war against the Palestinians had also besmirched the memory of six million Jewish martyrs....

We see the disastrous effects the occupation has had on the people in the territories. Any remnants of living democratic civilization has been effectively destroyed and been replaced by cronyism, ineptitude, and wreckage. The saddest part is that this was all so deliberately conceived and methodically carried out with the help and support of our own government. Reading Norman Finkelstein's book and listening to the various people in it, you get the feeling that the thing that most bothers the Arabs is the seeming indifference, if not outright hostility, of the Western world to their plight. (And here I'll recall an incident reported in the book where a student of the author asked what Americans think of Palestinians. Not waiting for a reply and unable to suppress his rage, he blurted out, "They think we're animals, don't they?")

Finkelstein's final conclusions are marked by a resigned gloominess. It is realistic to assume that there won't be a peaceful, prosperous Palestinian homeland anytime soon. In "History's Verdict," a final section in the last chapter of his book, he lays out historic events in the destruction of the Cherokee Nation and makes parallels to what has already happened to the Palestinian people. Ultimately we are left with Samira's last words to the author as he left to return to America:

I am sure the coming generation of Israelis will be ashamed.... Israelis now think they are serving a noble cause. They are defending their state. They want to have their state, they want peace. But they are oppressing others. Time will come when Israelis will read about their history, how they occupied the land and how they established their state. It won't seem a noble cause.... If they have any morality, they will be ashamed of what they did.

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The Rise and Fall of the "Politics of the African Diaspora"

By Robert Shaffer

Race Against Empire: Black Americans and Anticolonialism, 1937-1957, by Penny M. Von Eschen (Cornell University Press, 1997) 259 pp. $39.95, cloth; $16.95, paper.

When Arthur Schlesinger, Jr. wrote *The Disuniting of America*, his attack on multiculturalism, a few years back, he charged that the efforts to establish an identification of African Americans with Africa were artificial. African Americans identified as Americans, not as Africans, he claimed. One of the many achievements of Penny Von Eschen's *Race Against Empire* is to demonstrate that the identification of significant sectors of the African-American activist community with Africa is no new fad of the 1990s or even the 1960s, but that it formed a strong part of the intellectual currency of the African-American press and of civil rights organizations in the 1930s and 1940s.

But Von Eschen's study of African-American concern for Africa will not provide any more comfort to Afrocentrists who portray an essentialist culture or learning style than to Eurocentrists such as Schlesinger. In the "politics of the African diaspora," as Von Eschen calls it,

> African American popular discourse in the 1940s linked African Americans with Africa and the Caribbean, not because there were biological blood ties but because their differing experiences of slavery and colonialism were all

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seen as part of the history of the expansion of Europe and the development of capitalism (4-5).

Von Eschen argues that the towering African-American figures in this movement, such as W.E.B. DuBois, Paul Robeson, and Alphaeus Hunton, grounded their analyses of race in the political economy of slavery and imperialism, in a critique of "racial capitalism." The disruption of the influence of these intellectuals, however, under the assault of Cold War thinking and McCarthyite repression, facilitated the rise of analyses of "race" that were shorn of their political and economic context, and that abandoned their critical approach toward capitalism.

Von Eschen's work exemplifies the watchword among historians today to "internationalize," to demonstrate how transnational connections have shaped identities and movements. *Race Against Empire* shows that the development of African-American organizations and world views in the mid-twentieth century can only be explained with reference to a wider African diaspora, which some have labeled "the Black Atlantic." This movement expanded in the 1930s with the increased communication between African Americans, Afro-Caribbeans, and Africans, who may have studied together at Howard University, attended the same meetings in London or Moscow, or read each other's articles in black-owned newspapers in Pittsburgh, Chicago, Lagos, and Johannesburg.

Von Eschen nicely elaborates the precise networks by which these anticolonial ideas developed and spread from continent to continent. The career of George Padmore, who did as much as anyone to forge these links, exemplified these transnational connections. Padmore, a Trinidadian, studied in the United States in the 1920s, joined the CPUSA, travelled widely for the Communist International in Europe and Africa, and then broke with Communism by 1933. He established the International African Service Bureau in London four years later, and wrote weekly or monthly columns, year in and year out, on African affairs and against colonialism for the most important African-American newspapers and for the NAACP's *Crisis*. He later emerged as a major advisor to Kwame Nkrumah of Ghana.

Such scholars as Gerald Horne, Manning Marable, and Martin Duberman have studied the internationalist work of DuBois, Robeson, and other leaders at mid-century, and Brenda Gayle Plummer covered much the same material as Von Eschen in her

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book *Rising Wind: Black Americans and U.S. Foreign Affairs, 1935-1960* (Chapel Hill: University of North Carolina Press, 1996). Von Eschen adds substantially to the biographical accounts by paying as much attention to the African-American press and to mass organizations as to individuals. Von Eschen's book is more focused and better argued than Plummer's, as the former builds her case that a militant, anticolonial world view, verging on an anticapitalist analysis, was in the mainstream of African-American political life from the late 1930s to the late 1940s. Newspapers such as the *Pittsburgh Courier* and the *Chicago Defender*, which each had a national readership and an expanding circulation with the urbanization of African Americans, provided consistent coverage of strikes in the Caribbean and throughout Africa, and printed trenchant critiques of the consequences of European colonialism and of American corporate and diplomatic policies.

The Council on African Affairs, whose founder Max Yergan had been among the first African-American missionaries with the YMCA before he turned to the left, became by 1942 a major activist organization. It could turn out four thousand people to protest the jailing of Indian nationalist leaders in 1942, and nineteen thousand people in 1946 for a rally against the incipient Cold War. The NAACP, which too many leftist historians sneer at, also receives its due here. As Von Eschen writes, "liberal spokespersons such as [NAACP head] Walter White came not only to share the language of anti-imperialism with leftists such as George Padmore ... but also to share an analysis (or at least a description) of British and American exploitation of African nations" (42).

Of course, this growing nexus of individuals, newspapers, and organizations itself developed in a wider political context. The crisis of the 1930s provided the basis for a critique of "racial capitalism." But the Second World War really allowed the movement to develop a popular base in the African-American community. The alliance with the Soviet Union, the condemnation of Nazi racism and imperialism, the rhetorical commitment to the Atlantic Charter with its call for self-determination for peoples, and the weakening of European imperialism in Asia all opened up space for an anticolonial analysis, and the global war linked struggles at home and abroad. The African-American movement, Von Eschen shows, not only campaigned for civil rights at home as necessary for victory over the Axis abroad, but also for decolonization in India, Africa, Puerto Rico, and elsewhere, and warned against U.S.

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economic and military control in the Caribbean, the Pacific, and Africa.

This movement reached its height as the war ended. A series of Pan-African conferences took place in Europe; African Americans provided material aid to strikes in Africa; mass-based campaigns pressed the newly-formed United Nations to work for decolonization; and activists called for a continuing alliance with the Soviet Union and for a global New Deal (and opposed the more imperialist conception of an "American Century"). The *Chicago Defender* in May 1946, for example, roundly condemned the early postwar American confrontation with the Soviet Union in Iran, criticizing the "combination of forces driving fiercely toward the Century of American imperialism, World War III, and the virtual enslavement of the great masses of American people" (102).

The second half of *Race Against Empire,* however, details the fall of this internationalist, anticolonial movement, under the impact of the Cold War. With little forward movement in the UN against European imperialism, it became difficult to maintain a sustained political campaign, and in the late 1940s and early 1950s severe repression of the CAA and its leaders took its toll. The NAACP and the major African-American periodicals, Von Eschen claims, made an abrupt and "strategic" (109) decision in mid-1947 to cease their criticism of Harry Truman's Cold War policies. According to Von Eschen, their hope of keeping some political space open for domestic civil rights reforms under Truman was largely in vain.

Von Eschen argues further that a new type of international analysis became dominant in the African-American community in the 1950s, one which accepted the legitimacy of American claims to be the leader of the "Free World," adopting the ideology of a benevolent capitalism and of modernization theory. It conceived of racism not as grounded in capitalism or imperialism, but as an aberration in an otherwise just system. This new African-American political discourse, Von Eschen maintains, abandoned the diaspora consciousness of solidarity between Africans and African Americans based on a common struggle against racism and colonialism, and replaced it with a renewed paternalism toward so-called "primitive" (160) Africans. Thus, the disruption of the radical movement of the 1940s and the adoption of a Cold War ideology not only impeded decolonization in general and hindered the civil rights movement at home, but fundamentally reshaped, for the worse, the consciousness of the African-American movement. It is no

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wonder, then, that Arthur Schlesinger Jr., who himself played an important role in the construction of 1950s mainstream American ideology, believes that African Americans had few substantive ties with Africa: the earlier movement had been effectively erased from historical memory.

Like the international movement which she describes, Von Eschen conducted her research on three continents, drawing on materials from U.S., British, and South African government archives as well as from anticolonial organizations and the African and African-American press. This research enables Von Eschen to show how Africans appreciated the solidarity work of African Americans, and how they resisted U.S. government propaganda efforts. She has unearthed such gems as a confidential 1951 State Department letter which noted, apparently without irony, that "the anticolonial feeling in certain African territories constitutes a formidable problem for the Free World because all of the Colonial Governments are aligned on the side of the Free World" (125).

But there are gaps in the research. Von Eschen hardly uses the NAACP or the Walter White papers, which limits the depth of her account of the NAACP's wartime radicalism, and forces her to rely mainly on critics of that organization in her account of its Cold War policy. Her reading of the African-American press draws too much from the *Courier* and the *Defender*, which perhaps overstates the hegemony of radical thinking of the 1940s, and may downplay the important role of Afro-Caribbean immigrants in New York City.

While Von Eschen discusses cooperation between this African-American movement and the CIO in 1945 and 1946, she all but ignores anticolonial thinking by white Americans during the Second World War. The diaspora consciousness she describes did not develop in isolation from radical white movements and intellectuals. To give just two examples, Harry Paxton Howard, the main commentator on Asia for the Socialist Party's *Call*, wrote regularly in the 1940s for the NAACP's *Crisis* on racism and colonialism. Similarly, the wartime campaign of the SP and the Fellowship of Reconciliation against U.S. control over Puerto Rico undoubtedly helped stimulate the African-American interest in that issue which Von Eschen describes.

While Von Eschen's argument is convincing, she overstates her case. She claims that the movement from 1937 to 1947 was based on a thoroughgoing critique of U.S. and European imperialism, only to be replaced by a Cold War liberalism which accepted the premises

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of U.S. policy. But the earlier movement did not present itself only as a critique: especially during the war it claimed to be following the "true" U.S. policy, which it identified with the anticolonial thrust of the Atlantic Charter, the alliance with the USSR, and the need for a "global New Deal." This analysis, moreover, was hardly free of its own contradictions. When the CAA called in 1946 for the continuation of the "Big Three" wartime alliance, it was not only criticizing anti-Soviet moves but at least on some level accepting British imperialism. And from an anti-capitalist point of view, a "global New Deal" was by no means an unproblematic program.

Thus, when the later mainstream African-American movement clothed itself in a Cold War liberal perspective, perhaps it was just continuing this approach of using American rhetoric and ideals to push for its own demands. The "Double V" of the Second World War—victory over the Axis abroad and over Jim Crow at home—became a "Double V" during the Cold War as well, as the NAACP and others argued that only by ending segregation at home could the U.S. attract support abroad against communism. The wartime argument that colonialism must end in order to motivate Asians and Africans to fight Japan and Germany also translated easily to demands for decolonization in the language of the Cold War.

Some of what Von Eschen identifies as Cold War liberalism in the African-American movement retained more of a critical edge toward the United States than she acknowledges. Walter White's continued support for Nehru in the early 1950s, even as the U.S. government attacked India's neutralism, constituted dissent from the Cold War. And the American Committee on Africa, which emerged in the 1950s as the leading liberal U.S. organization on Africa, had more connections with the older, anti-imperialist movement than Von Eschen recognizes.

Von Eschen largely sidesteps the question of how to approach the Soviet Union. Apart from a single reference to Soviet provision of arms to "brutal dictatorships" (188), she seems to view criticism of the USSR as an endorsement of U.S. Cold War policies. While she is correct to focus on the disastrous impact of the Cold War on U.S. policy toward Africa and on the African-American internationalist movement, she provides too little evaluation of the approach of radical African Americans, or their adversaries, toward the Soviets, and seems almost defensive about the issue.

At the same time, Von Eschen perceptively observes that the traditional concerns and divisions on the left look different when

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viewed through the lens of the African diaspora. The ex-Communist Padmore worked with black Communists and Trotskyists in the 1930s in a way that white leftists of different factions could not, and this unity spurred the development of a broad anti-imperialist movement in the African-American community and the larger African diaspora. With the demise of the Soviet Union, the ongoing transformation of social democracy, and the concomitant collapse of old certainties throughout the left, perhaps this aspect of Von Eschen's study will appeal most to activists and intellectuals trying to reconstruct a left in the 1990s. Certainly this story of the potential—and the obstacles—in building a solidarity movement across national boundaries retains its full relevance in today's world, even as it reveals an important chapter in the history of both African Americans and of the U.S. left.

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It is with deep sorrow that we report the death of

JUDY RUBEN

(October 9, 1997)

She was a dear friend, a good comrade, and committed colleague who will be deeply missed by all of us at Monthly Review. We were touched by her warmth and humor.

We grieve with her husband, Albert, her family, and the large extended family of friends and colleagues.

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(Continued from inside front cover)

The literature of environmental studies is enormous and growing rapidly. We at *MR* have contributed to it in small ways and no doubt will continue to do so through our own efforts and those of authors among like-minded readers and friends. One of those meeting this description is our colleague and fellow member of the Board of Directors of Monthly Review Foundation, John Bellamy Foster. John started in political science, ventured into political economy with his book *Theory of Monopoly Capitalism: an Elaboration of Marxian Political Economy* (MR Press, 1986) and settled in sociology, in which he is now a professor at the University of Oregon. In the last few years, he, like many others, has become increasingly interested in environmental studies, one fruit of which was his well-reviewed book, *The Vulnerable Planet* (MR Press, 1994).

Most recently, John has moved further into the areas of environmental studies by becoming co-editor (along with John Jermier of South Florida University) of a new journal, *Organization and Environment* (*O&E*). Actually, *O&E* is both new and not-new: it is a successor to *Industrial and Ecological Crisis Quarterly* published by Sage Publications which also publishes other academic journals. For business reasons having to do with fulfilling paid-for subscriptions, the first volume of *O&E* is numbered 10, but in other respects (editorial content, separate departments, plans for the future, etc.), it is a wholly new undertaking. For further information, contact Sage Publications, P.O. Box 5084, Thousand Oaks, CA 91359, phone (805)499-9774, fax (805) 499-0871.

Any discussion of China's economic situation and possible ways of dealing with it should begin with two often-cited and apparently widely accepted statistics: (1) a hundred million unemployed and underemployed workers are (to quote the *New York Times* of September 28) "wandering the countryside;" (2) another hundred million are dependent for their survival on "hopelessly unprofitable industrial dinosaurs" in the state sector of the economy (*Business Week*, September 29). It is against this background that one must evaluate decisions of the September conference of the ruling Communist Party to plunge ahead with a policy of privatizing the state sector, with its inevitable consequence of bankruptcies, closings, and downsizing of existing industrial enterprises. If this course of action is persisted in—and the record to date provides little reason to suppose that it will not be—China seems well on its way to times of troubles rivaling anything in its long and checkered history.

Correction: In the October 1997 issue (Vol. 49 No. 5) in Stanislav Menshikov's review of *Revolution from Above: The Demise of the Soviet System* by David Kotz and Fred Weir, the book was priced at $26.95. The actual price of the book is $18.95.

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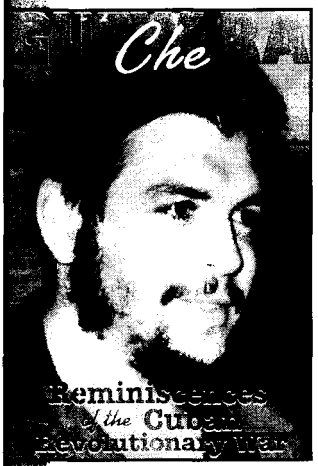

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